



  
Frank J. Otte  
United States Bankruptcy Judge

ANDREW NEIL GORMAN ) CASE NO. 07-00760-FJO-7  
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 )  
 Debtor )

## ORDER

This matter came before the Court upon the filing of the Amended Motion to Avoid Lien by the Debtor and the Objection filed thereto by the Gormans. The Court held a hearing on this matter on June 11, 2007.

The Debtor requests the Court to avoid the lien of Hugh and Lynn Gorman pursuant to 11 U.S.C. section 522(f). The Debtor asserts that there is a judicial lien by the Gormans on the property for \$30,000.00; that the impaired exemption is \$15,000 under IC 34-55-10-2(c)(1) or \$4,800.00 under IC 34-55-10-2(c)(2); and that the value of the property is

\$34,000.00. The Bankruptcy Code, section 522, provides that a debtor may avoid a lien to the extent that it impairs his exemption. In re Owen 70 B.R. 366 (Bkrtcy. N.D. 1987). Indiana has opted out of the federal exemptions and has adopted its own exemptions which can be found at I.C. 34-55-10-2.

Other than the Gorman's judicial lien, there are no other encumbrances against the property. Therefore, there is clearly equity in the property. The judicial lien may not be avoided because it does not impair the Debtor's exemption. The judicial lien shall remain on the property until said time the property is sold; at which time the Debtor is entitled to claim his rightful exemption and then the monies shall be paid to the Gormans to the extent necessary to satisfy their lien, with the balance, if any, being paid to the appropriate parties of interest.

It is, therefore,

ORDERED, ADJUDGED and DECREED that the Amended Motion to Avoid Lien be and hereby is DENIED.

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